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**AGENCY OVERVIEW****475 ND Mill and Elevator Association**

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**Date:** 01/13/2011**Time:** 10:59:23**Statutory Authority**

North Dakota Century Code Chapter 54-18.

**Agency Description**

The North Dakota State Mill & Elevator Association started operations in 1922 and serves as a foundation for value-added economic development in the state, promotes the export of North Dakota wheat and returns most of its annual profits to the state's general fund. The Mill is located in Grand Forks.

**Agency Mission Statement**

The mission of the North Dakota Mill is to:

- Promote and provide support to the North Dakota agriculture, commerce and industry and to provide superior quality, consistency and service to our customers.
- Grow the business and provide a profit to our owners - the citizens of North Dakota.
- Conduct our business with the highest integrity so that our employees, customers, suppliers and owners are proud to be associated with the North Dakota Mill.

**Agency Performance Measures**

The North Dakota Mill will:

- Purchase and mill 23,000,000 bushels per year of North Dakota grown spring and durum wheat.
- Realize profits in order to maintain the facilities in top operating condition.
- Return a portion of the profits to the state general fund.

**Major Accomplishments**

1. Achieved sales of 10.9 million hundredweight in fiscal year 2010.
2. Purchased and ground more than 23.0 million bushels of spring wheat and durum in fiscal year 2010.
3. Achieved record profits of \$13.2 million in fiscal year 2010.

**Future Critical Issues**

- Volatile grain markets impact the cost of raw material inputs.
- Energy costs and related volatility impact our plant operations and the freight costs in shipping our product to the various markets.
- Interest rates and the potential for increasing rates.

**REQUEST SUMMARY**

475 ND Mill and Elevator Association

Bill#: HB1014

Date: 01/13/2011

Time: 10:59:23

Biennium: 2011-2013

Description	Expenditures 2007-2009 Biennium	Present Budget 2009-2011	Budget Request Change	Requested Budget 2011-2013 Biennium	Optional Budget Request
<b>By Major Program</b>					
Flour Mill and Grain Terminal Operations	32,548,983	40,057,242	5,874,956	45,932,198	831,916
<b>Total Major Program</b>	<b>32,548,983</b>	<b>40,057,242</b>	<b>5,874,956</b>	<b>45,932,198</b>	<b>831,916</b>
<b>By Line Item</b>					
Salaries and Wages	15,943,202	22,599,324	2,903,069	25,502,393	831,916
Operating Expenses	16,508,559	16,982,918	2,896,887	19,879,805	0
Agriculture Promotion	97,222	150,000	0	150,000	0
Contingency	0	325,000	75,000	400,000	0
<b>Total Line Items</b>	<b>32,548,983</b>	<b>40,057,242</b>	<b>5,874,956</b>	<b>45,932,198</b>	<b>831,916</b>
<b>By Funding Source</b>					
General Fund					
Federal Funds					
Special Funds	32,548,983	40,057,242	5,874,956	45,932,198	831,916
<b>Total Funding Source</b>	<b>32,548,983</b>	<b>40,057,242</b>	<b>5,874,956</b>	<b>45,932,198</b>	<b>831,916</b>
<b>Total FTE</b>	<b>131.00</b>	<b>131.00</b>	<b>0.00</b>	<b>131.00</b>	<b>6.00</b>

**REQUEST DETAIL**

475 ND Mill and Elevator Association  
Biennium: 2011-2013

Bill#: HB1014

Date: 01/13/2011

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Description	Expenditures 2007-2009 Biennium	Present Budget 2009-2011	Budget Request Change	Requested Budget 2011-2013 Biennium	Optional Budget Request
<b>Salaries and Wages</b>					
Salaries - Permanent	10,009,037	11,212,608	763,838	11,976,446	596,362
Salaries - Other	0	2,766,182	880,618	3,646,800	0
Temporary Salaries	70,398	373,000	83,000	456,000	0
Overtime	1,823,101	3,027,620	650,380	3,678,000	0
Fringe Benefits	4,040,666	5,219,914	525,233	5,745,147	235,554
<b>Total</b>	<b>15,943,202</b>	<b>22,599,324</b>	<b>2,903,069</b>	<b>25,502,393</b>	<b>831,916</b>

**Salaries and Wages**

General Fund	0	0	0	0	0
Federal Funds	0	0	0	0	0
Special Funds	15,943,202	22,599,324	2,903,069	25,502,393	831,916
<b>Total</b>	<b>15,943,202</b>	<b>22,599,324</b>	<b>2,903,069</b>	<b>25,502,393</b>	<b>831,916</b>

**Operating Expenses**

Travel	368,143	601,500	0	601,500	0
Supplies - IT Software	26,487	62,165	8,835	71,000	0
Supply/Material-Professional	132,440	352,400	10,000	362,400	0
Miscellaneous Supplies	1,585,471	1,764,756	210,000	1,974,756	0
Office Supplies	123,009	174,400	40,600	215,000	0
Postage	68,189	105,500	0	105,500	0
IT Equip Under \$5,000	72,399	101,048	18,452	119,500	0
Utilities	3,813,607	6,215,536	1,200,000	7,415,536	0
Insurance	1,270,875	1,691,000	480,000	2,171,000	0
Repairs	4,156,014	4,993,664	750,000	5,743,664	0
IT - Communications	145,879	204,750	34,000	238,750	0
IT Contractual Svcs and Rprs	118,987	131,650	35,000	166,650	0
Professional Development	170,690	201,749	40,000	241,749	0
Operating Fees and Services	4,364,228	186,550	35,000	221,550	0
Fees - Professional Services	92,141	196,250	35,000	231,250	0
<b>Total</b>	<b>16,508,559</b>	<b>16,982,918</b>	<b>2,896,887</b>	<b>19,879,805</b>	<b>0</b>

**Operating Expenses**

General Fund	0	0	0	0	0
Federal Funds	0	0	0	0	0
Special Funds	16,508,559	16,982,918	2,896,887	19,879,805	0
<b>Total</b>	<b>16,508,559</b>	<b>16,982,918</b>	<b>2,896,887</b>	<b>19,879,805</b>	<b>0</b>

**Agriculture Promotion**

**REQUEST DETAIL**

475 ND Mill and Elevator Association

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Time: 10:59:23

Biennium: 2011-2013

Description	Expenditures 2007-2009 Biennium	Present Budget 2009-2011	Budget Request Change	Requested Budget 2011-2013 Biennium	Optional Budget Request
Special Line Other	97,222	150,000	0	150,000	0
<b>Total</b>	<b>97,222</b>	<b>150,000</b>	<b>0</b>	<b>150,000</b>	<b>0</b>
<b>Agriculture Promotion</b>					
General Fund	0	0	0	0	0
Federal Funds	0	0	0	0	0
Special Funds	97,222	150,000	0	150,000	0
<b>Total</b>	<b>97,222</b>	<b>150,000</b>	<b>0</b>	<b>150,000</b>	<b>0</b>
<b>Contingency</b>					
Special Line Other	0	325,000	75,000	400,000	0
<b>Total</b>	<b>0</b>	<b>325,000</b>	<b>75,000</b>	<b>400,000</b>	<b>0</b>
<b>Contingency</b>					
General Fund	0	0	0	0	0
Federal Funds	0	0	0	0	0
Special Funds	0	325,000	75,000	400,000	0
<b>Total</b>	<b>0</b>	<b>325,000</b>	<b>75,000</b>	<b>400,000</b>	<b>0</b>
<b>Funding Sources</b>					
General Fund	0	0	0	0	0
Federal Funds	0	0	0	0	0
Special Funds	32,548,983	40,057,242	5,874,956	45,932,198	831,916
<b>Total Funding Sources</b>	<b>32,548,983</b>	<b>40,057,242</b>	<b>5,874,956</b>	<b>45,932,198</b>	<b>831,916</b>

**CHANGE PACKAGE SUMMARY**

475 ND Mill and Elevator Association

Biennium: 2011-2013

Bill#: HB1014

Date: 01/13/2011

Time: 10:59:23

Description	Priority	FTE	General Fund	Federal Funds	Special Funds	Total Funds
<b><u>Base Budget Changes</u></b>						
<b>Ongoing Budget Changes</b>						
A-A 1 Inflation Adjustment and Production increases		0.00	0	0	2,971,887	2,971,887
Base Payroll Change		0.00	0	0	2,903,069	2,903,069
<b>Total Ongoing Budget Changes</b>		<b>0.00</b>	<b>0</b>	<b>0</b>	<b>5,874,956</b>	<b>5,874,956</b>
<b>Total Base Budget Changes</b>		<b>0.00</b>	<b>0</b>	<b>0</b>	<b>5,874,956</b>	<b>5,874,956</b>
<b><u>Optional Budget Changes</u></b>						
<b>Ongoing Optional Changes</b>						
A-C 2 add 2 FTE car checker positions	1	2.00	0	0	226,806	226,806
A-C 3 add FTE Lead electrician	1	1.00	0	0	171,643	171,643
A-C 4 add FTE Sales Represenative	1	1.00	0	0	144,916	144,916
A-C 5 add FTE Lab Technician	1	1.00	0	0	112,552	112,552
A-C 6 add FTE I T System Analyst	1	1.00	0	0	175,999	175,999
<b>Total Ongoing Optional Changes</b>		<b>6.00</b>	<b>0</b>	<b>0</b>	<b>831,916</b>	<b>831,916</b>
<b>Total Optional Budget Changes</b>		<b>6.00</b>	<b>0</b>	<b>0</b>	<b>831,916</b>	<b>831,916</b>

**BUDGET CHANGES NARRATIVE**

475 ND Mill and Elevator Association

Bill#: HB1014

Date: 01/13/2011

Time: 10:59:23

<b>Change Group:</b> A	<b>Change Type:</b> A	<b>Change No:</b> 1	<b>Priority:</b>
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Inflation Adjustment and Production increases

Adjustments for inflationary increases and production increases.

<b>Change Group:</b> A	<b>Change Type:</b> C	<b>Change No:</b> 2	<b>Priority:</b> 1
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add 2 FTE car checker positions

Car Checker additional FTE

Total proposed dollars = \$113403.12

request due to production increases

<b>Change Group:</b> A	<b>Change Type:</b> C	<b>Change No:</b> 3	<b>Priority:</b> 1
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add FTE Lead electrician

Lead Electrician additional FTE

Total proposed dollars = \$171642.99

request due to production increases

<b>Change Group:</b> A	<b>Change Type:</b> C	<b>Change No:</b> 4	<b>Priority:</b> 1
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add FTE Sales Representative

Sales Representative additional FTE

Total proposed dollars = \$144916.08

request due to production increases

<b>Change Group:</b> A	<b>Change Type:</b> C	<b>Change No:</b> 5	<b>Priority:</b> 1
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add FTE Lab Technician

Lab Technician additional FTE

Total proposed dollars = \$112552

request due to production increases

**BUDGET CHANGES NARRATIVE**

475 ND Mill and Elevator Association

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<b>Change Group:</b> A	<b>Change Type:</b> C	<b>Change No:</b> 6	<b>Priority:</b> 1
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add FTE I T System Analyst

I.T. System Analyst additional FTE

Total proposed dollars = \$175998.84

request due to production increases

<b>Change Group:</b> R	<b>Change Type:</b> A	<b>Change No:</b> 1	<b>Priority:</b>
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Add 2 FTE Car Checker Positions

Add 2 FTE Car Checker positions to staff third shift in order to ensure adequate number of rail cars available to keep up with increased production.

<b>Change Group:</b> R	<b>Change Type:</b> A	<b>Change No:</b> 2	<b>Priority:</b>
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Add 1 FTE Sales Rep Position

Add 1 FTE Sales Representative position to promote continued sales growth.

<b>Change Group:</b> R	<b>Change Type:</b> A	<b>Change No:</b> 3	<b>Priority:</b>
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Add 1 FTE Lab Technician Position

Add 1 FTE Lab Technician position to meet increasing workload due to increased production.